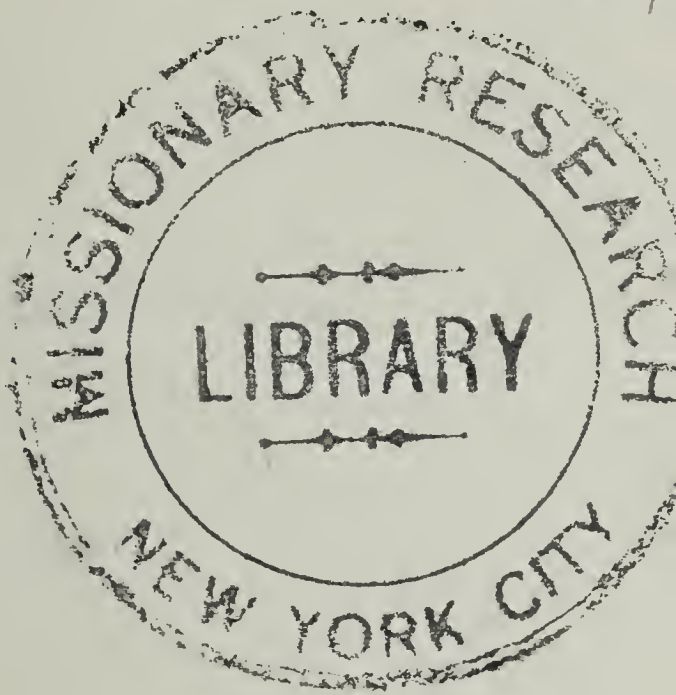


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THE EMERGING NATIONS OF ASIA

by U. Alexis Johnson
Deputy Under Secretary
for Political Affairs

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The Emerging Nations of Asia

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This decade of the 1960's will, in all probability, see man land on the moon. It will see other wonders of science and technology that may be put to good or evil as man wills. The sixties will likely see the dream of a United States of Europe substantially complete its transformation into reality. Profound developments will doubtlessly take place in the Communist bloc. However, when you meet here in December 1971, I think it entirely likely that you may decide that the most significant development of the 1960's will have been the emergence of the nations of Asia with all of their potential.

These emerging nations may well hold the key to the world of tomorrow. Our ability to identify ourselves with their aspirations, indeed our ability to permit this revolution to unfold and not be turned back by communism, is crucial to our own future. Thus I feel that the theme you have chosen for this conference is particularly apt.

The theme of the emerging nations and our relationship to them is a dramatic one. The theme encompasses not only the revolution of ideals and technology by the peoples of these countries, but it also encompasses a counterrevolution. Com-

¹ Address made before the Institute of World Affairs at Pasadena, Calif., on Dec. 6 (press release 842 dated Dec. 5).

munism, arming itself with modern technology, is increasingly ranged against the revolution. It is a counterrevolution in the purest sense of the word. In discussing these emerging nations of Asia with you this evening, and in particular the nations and people of the Far East, I am not just paying a courtesy to this audience, which has always had a special interest in the Far East. I am doing this because of the present intrinsic importance of the area and because of the richness of the resources to be found there—the human, cultural, and material resources, which once released will make a contribution to the future of our globe second to none.

Throughout this area we find that in the few years that have elapsed since the Second World War ancient nations, which had fallen under alien colonial control, have regained their political independence. In the vast continental sweep from India and Pakistan through to Japan and Korea, we find only vestigial and minor remnants of colonialism. Certainly in the non-Communist areas of Asia, as in the rest of the free world, the principle of self-determination has met with almost total fulfillment. This political revolution, however, is merely the prelude, a necessary prelude, to the principal revolution. This is the social, political, and economic revolution. It is in a very real sense the release of the aspirations and creative energies of hundreds of millions of people.

What is happening in the Far East, as in the other emerging areas of the world, is the destruction of the old society, grown static, under the impact of new ideas and the new technology of the West. These peoples are seeking imperatively and urgently to create a new society, in consonance with the individuality of the old but which will be responsive to the new aspirations and concepts which have come in and which can no longer be denied.

The attainment of independent nationhood immediately following the disruption of the Second

World War has been sought—and fought for—so long that independence seemed to provide the answer to all problems. In fact, of course, it solved few problems, created many new ones, and sharpened the necessity for immediate solutions to the horde of needs that pressed in on the new nations. There is no need to catalog these problems; they may be summarized in the word “poverty.” There was economic and financial poverty of the starkest sort, poverty of trained personnel, poverty of experience, poverty of administrative ability, poverty of even basic literacy. The gap between available resources and the aspirations of nationhood was great. This gap has narrowed appreciably in the case of a few nations, notably Japan, the Republic of China, Thailand, and Malaya, to cite a few examples. It has begun to narrow in the case of such a country as India. In a few cases, such as that of Laos, the gap has tragically widened.

Communism's Objectives

This last category brings me to the role played by communism in the struggle of the emerging nations. The problems confronting these countries are gigantic. They are all-consuming even without the menace of subversion and aggression from across their frontiers. If you add to these problems the necessity for maintaining a large defensive military force to meet an external threat and the calculated sabotage of subversion, the difficulties exceed the human and material resources available for progress.

Communism has as large a stake in the emerging nations as does the free world. The Communist effort is to disrupt and to destroy and to seek profit in the ruins. Progress in these countries directly lessens the chances of Communist control. Disillusionment, chaos, and insecurity directly increase the Communist opportunity. Every stress and strain in the process of adjust-

ment to changed conditions and modernity is exploited by the Communists. Every effort is made to increase these stresses and strains. The objective is to make the pressures of adjustment too great, to make the rate of progress too slow, to make the basic economic and social problems appear insurmountable, so that, in the desperation of their impatience, the people will turn to the draconian methods of communism in their search for a solution.

It is for these reasons that we find the Communist world maintaining a state of tension and unease in southeast Asia. Threats against one country require it to direct a crippling proportion of its national income into defense. Blandishments are used against another where there appears to be an opportunity for increasing direct Communist influence. Throughout the brief history of Laos a Communist-controlled military organization, supplied and directed from neighboring Communist territory, has denied that tragic country the time and opportunity to even face the issue of social and economic progress. Laos' neighbor, South Viet-Nam, has been subjected to every form of Communist pressure. Guerrilla operations and direct Communist aggression have imposed a crushing defense burden on the nation. Kidnaping, assassination, torture and terrorism, economic sabotage, disruption of communications, are all part of the Communist catalog of weaponry for what they cynically refer to as the "liberation" process. Perhaps the most telling evidence of Communist motivations to be found in Viet-Nam is the organized Communist campaign against social and economic progress.² Viet Cong harassment against efforts to eradicate malaria has resulted in the murder of many members of the spraying teams and the kidnaping of others. The "Agroville" program of land and economic reform has been a particular military target.

² For background, see BULLETIN of Jan. 1, 1962, p. 13.

Bridges and roads designed to permit the peasant to market his produce have been sabotaged. No effort has been spared by the Communists to prevent the Government from improving the lot of the people of Viet-Nam. Stability and progress are the prime Communist targets.

The challenge to the emerging nations, then, is a double one. The people of these nations are faced with the tremendous difficulties inherent in the creative revolution in which they are engaged. At the same time they must meet the destructive and disruptive activities of the Communists. This threat is posed with varying degrees of intensity. However, the common denominator is that communism thrives on instability and finds scant foothold where orderly progress is being achieved.

The challenge is a great one and one which will require the greatest dedication and effort on the part of the peoples of these new countries. It will also require the wholehearted support, encouragement, and assistance of the United States and the other nations of the world who support the emergence of truly independent nations. Despite some setbacks, as in Laos, and the savagery of the Communist attack in Viet-Nam, progress in meeting the challenge has been encouraging. The stakes are large. The future of east Asia, the role it will play in the world, is a great one.

The area I am discussing has today well over 1½ billion people, more than half of the population of the globe. The people of this vast area have already made tremendous contributions to the world of today. I think it is important for us to remind ourselves that not until the industrial revolution did the West pull ahead of the East. Viewed historically the balance of trade in ideas and social and political organization has not long or heavily been weighted in favor of the West. There is certainly no reason to believe that the technological advantage that the West gained during the industrial revolution of the last century

and a half is necessarily a permanent one. Within the last 10 years vast changes have occurred in Asia. Within the next 10 years we can confidently expect an even greater transformation.

Japan

Two underdeveloped areas of Asia, by virtue of their size and population and by virtue of the key roles which they play, merit particular attention in this discussion. These are India and Communist China. But first I would like to cite the example of Japan.

Japan, until the end of the 19th century, was as underdeveloped as any country in Asia today. Japan today suggests what other nations of Asia, with leadership, hard work, and the support of friendly countries, can achieve in a brief span of years. And Japan's immediate hopes and prospects provide an inkling to the accelerating pace of development which is possible once the initial economic and social base is achieved.

Today Japan has the highest standard of living and the largest reserve of skilled manpower in all Asia, and one of the highest rates of literacy in the world. Japanese industry, while satisfying a soaring domestic demand for increasingly sophisticated products, is also known and respected throughout the world. Its products are competitive in price and quality with the products of Western Europe and the United States. Japan is now the fourth largest industrial complex in the world. Japanese science, technology, art, and literature are recognized and are having an increasing impact throughout the world. Parallel- ing the growth of industry and following on the enlightened land-reform program of the postwar years, the Japanese farmer, only recently a land- less peasant, is increasingly a prosperous business- man who through hard work and advanced tech- niques has made the 93 million Japanese virtually self-sufficient in rice.

The gross national product of Japan in 1950

was \$10.96 billion; today it is \$40.4 billion. During the period between the end of the Second World War and today Japan has achieved the highest economic growth rate in the world. This has been achieved by the Japanese people through a high rate of investment, which in recent years has been averaging 25 percent of the gross national product annually. Despite this stress on development funds for capital outlay, total personal consumption expenditures in 1958 on a per capita basis were about one-third above the 1934-36 level, despite an almost 50 percent increase in population.

The present enviable situation of Japan, achieved despite the wartime destruction of the economy, is however only a harbinger of the development to come. Within the context of the free enterprise system that has fostered Japan's present high degree of development and prosperity, the Japanese Government is engaged in a plan to double the national income of Japan within the next 10 years. This plan envisages an annual economic growth rate of 7.2 percent, actually considerably lower than the growth rate experienced in the last few years. Upon the successful carrying out of the plan, Japan will have a per capita national income of about \$579, the equivalent of present-day Austria's.

Japan should not necessarily be cited as a model for the emerging nations of Asia. Each country is an individual entity and has its own special circumstances. Each country is at a different stage of economic development. Each country must work out its own destiny. It is important to remark, however, that what is most typical of Japan, what separates it most distinctly from its fellow Asian nations, is the poverty of its material resources. Japan has few minerals. It must import 15 percent of its food. Less than 16 percent of its total area is arable. Progress in Japan, therefore, has not been achieved by the tapping of unexploited natural resources, as that term is normally used. Rather, its progress has been achieved by well

utilizing that most important of all resources—the human resource.

In Japan we see what an Asian people can accomplish when they assimilate modern political concepts and technology, together with a free enterprise system, enriching their own ancient culture. In Japan's present important world role and in the cordiality of its partnership with the free world we see the important position of prestige, power, and leadership which an Asian nation can achieve when it has won the first crucial battles of the revolution in which we are all engaged.

India

India is in another stage, an earlier stage, of this same process of growth and progress. The importance of India does not need to be emphasized. In area it is the largest Asian nation next to Communist China. In population its 440 million citizens are surpassed in number only by the 650 millions of Communist China. It is significant that India's importance should most readily be stated in terms of comparison with Communist China. Totally aside from the great intrinsic importance of India, the revolution of progress there has a special importance that transcends even the destiny of India's millions.

In this struggle India has some great advantages. India has an effective government, based on solid resources of trained administrators. India has a substantial measure of literacy and a backlog of entrepreneurial and technical talent which, while at present not fully adequate, are still large in relation to those of many other Asian lands.

Like the rest of Asia, India is primarily an agricultural country. Almost three-quarters of its population depends directly on agriculture for their living. Again like the rest of free Asia, India's immediate development efforts are de-

signed to build up a momentum of progress to overcome the ancient scourges of poverty, population pressures, disease, and a tragically low standard of living.

In 1951 the Indian Government launched the first of a series of 5-year plans designed to mobilize India's resources in the most efficient manner compatible with India's constitutional injunction that "justice, social, economic and political, shall inform all the institutions of the national life." Now, as 1961 draws to a close, India is in the midst of its third 5-year plan (1961-65). The prevailing atmosphere in India is one of optimism, confidence, and hope. The basis for this attitude is not to be found in any startling improvement in the absolute level of development which has been attained but rather lies in the fact that real progress has begun, the planning has been proved sound, and confidence has been instilled that domestic resources and the assistance of friends abroad will be available to assist in the carrying out of the third 5-year plan.

In 1951 the per capita annual income in India was only \$50. The scope of the problem facing India is perhaps best indicated by the modesty of the goal that the Indians have set for themselves—to double this figure within a period of 25 years. To date the achievements of India's economic and social effort include a 16 percent increase over 1950-51 in per capita income, a 40 percent increase in gross national income, a 45 percent increase in food grain production, an 85 percent increase in the number of hospital beds. The progress which has been achieved provides the basis for real satisfaction. The distance still to go, however, is a guarantee against smugness.

The principal aims of the third 5-year plan on which India is now embarked include the securing of a minimum of 5 percent annual increase in national income, the achievement of self-sufficiency in food grains, the expansion of basic industries, the utilization to the fullest extent possible of the

manpower resources of the country, and the establishment of progressively greater equality of opportunity and the reduction of disparities in income and wealth. Fulfillment of this plan will, it is hoped, advance the Indian economy a long way toward the point of self-sustaining growth. Once this stage is reached the slow improvement in standard of living which the average Indian has enjoyed since 1950 will probably pick up momentum.

A measure of the significance of India's revolutionary struggle is to be found in the response by the free world to India's needs. In a move which has no precedent the free international community has acted to join with India to supplement India's financial resources.

A group centered around the World Bank, including representatives from the United States, Great Britain, Japan, Canada, France, and West Germany, with observers from the International Monetary Fund, Austria, Denmark, Norway, and Sweden, has moved to consider the amount and nature of assistance that can be made available to India. At the fourth meeting of this consortium in the spring of this year, financial commitments of \$2,225 million were made to supplement India's resources for the initial period of the third 5-year plan. This figure is in addition to an earlier undertaking by the United States to make available \$1,300 million worth of surplus food grains.

The concept of a cooperative free-world venture in assistance to the emerging nations is being more and more frequently used. The World Bank has been the focus for a consortium on Pakistan, and a cooperative approach is being considered for countries of Latin America. The Colombo Plan countries, who met recently in Kuala Lumpur,³ have of course been consulting for many years on economic development problems and prospects.

³ *Ibid.*, Dec. 11, 1961, p. 988.

Communist China

Among the Chinese people we find the same genius of an ancient culture, the same energies and intelligence, the same revolutionary spirit, the same determination for a better life. The difference between mainland China and the rest of Asia does not lie in the capabilities or the aspirations of the Chinese people. The difference lies in the fact that in free Asia the people and their leaders are joined in a dedication to the achievement of the goals of social and political and economic freedom and progress. On mainland China, however, the people have been betrayed by their leaders in their blind enthusiasm for approaching all problems from the standpoint of supposed Marxian doctrine, rather than from the standpoint of human welfare. The energies of the Chinese people have not been mobilized in their own welfare but rather in the service of the state. Freedom, welfare, progress have all been sacrificed. They have been replaced by one goal only, that of power—power of the state for its own uses. The revolution has been betrayed.

Communist China is a closed society. As a result, obtaining an accurate picture of the economic situation today in Communist China is fraught with uncertainty and unknown quantities. However, the full dimensions of the Communist failures in China are beginning to emerge, and the repercussions may be very deep indeed. In 1958 a "great leap forward" was decreed—productivity was to know no limits. Production statistics were produced to justify the new program, and according to these statistics productivity indeed knew no limits. According to Chinese Communist official figures of the time, the grain harvest for 1958 was 375 million tons, over 100 percent more than that of 1957. On the basis of these figures the target for 1959 was set at 525 million tons. Then some strange events began to occur. The harvest figures for 1958 were revised downward. The 1958 grain harvest, it was announced,

was not 375 million but rather 250 million tons. (Actual production was probably about 210 million tons.) Despite this discrepancy, however, politics remained in command and the "great leap forward" continued. The 1959 harvest was reported to be 270 million tons, that is, 20 million tons more than the revised 1958 figures. I cannot bring these figures up to date. A statistical blackout has been imposed on agricultural and industrial production statistics for 1960 and 1961. However, other information indicates per capita food output is below even the level of 1950, when the country was just emerging from the ravages of the civil war.

It is obvious that the glowing agricultural reports, and similar "leaps forward" in industrial production statistics, have rapidly disintegrated in the face of the growing food and other shortages that have gripped the nation. This is an unpleasant but very real fact that is becoming increasingly difficult to conceal.

Thus, despite the difficulties of obtaining statistical information, the general outline of development in Communist China is clear. For 11 years total power has been in the hands of a regime dedicated to the forced-draft creation of state power. Political considerations, that is, the regime's expansionist ambitions and search for the symbols and power of great-nation status, have been in command. The agricultural sector of the economy, that is, 80 percent of China's population, has been heavily exploited to finance the military and heavy-industry expansion, although prudence would have dictated investment in agriculture to bring it to the point where it could support the burden of industrial development. As I have pointed out, the disastrous consequences of this policy are becoming clear. The United Nations Food and Agriculture Organization, in its 1961 annual report, offers a revealing contrast between the encouraging improvement in agricul-

tural production of the free countries of Asia compared with the agricultural failures and food shortages of the Chinese mainland. Communist China's economic development, offered with much fanfare as the model for an Asian underdeveloped nation, has collapsed in a monumental example of centralized mismanagement.

The execution of Communist China's grandiose economic plans has ground to a halt. It is not clear what will emerge. However, the regime's control is based on military power and not on popular support, and its hold over the 650 million Chinese does not seem to have been seriously threatened by the fantastically costly errors of its leadership. This continued command of the resources and people of Communist China remains wedded to single-minded dedication to the creation and external application of state power. It would thus be imprudent for us to base our calculations on any presumption other than a future in which the Red Chinese regime continues to control the heartland of the Far East and continues to build up the power of the regime—a power which will be used in an effort to expand its influence over surrounding territories and to expel the American presence from Asia and the western Pacific. Nor would it be prudent to believe that this power may not be subject to sudden increases—perhaps the development of nuclear weapons—as well as to dramatic setback such as that caused by gross economic mismanagement.

The principal lesson which Communist China teaches is the enormity of the cost when a popular revolution is betrayed. The cost, of course, is borne primarily by the immediate victims, the people of the country whose hopes have been dashed and who have had the fulfillment of their aspirations postponed and who find that their labors are used to strengthen their bonds, not to free them. The next most affected are the people of neighboring areas, who find, instead of the re-

gional strength and cooperation which they need, that their neighbor has designs against them and actively combats every painful step forward that they attempt. But the cost also weighs heavily on all those who have a stake in a world of order and peace, a world in which the welfare of the individual is judged more important than the trappings of state power or the chauvinism of totalitarian rule. With the lesson of the heavy cost of failure in mind, let us turn to the role of the United States in the revolution of the emerging states.

U.S. Role in Revolution of Emerging States

The history of the United States and the traditions and ideology of this country have already shaped this role. America's deep dedication to social justice, to the dignity of the individual, and to human progress requires us to give our sympathetic support and assistance to new nations imbued with the same ideals and struggling along the same path that we ourselves have traveled. But in the face of the Communist determination to extend its sway throughout the world, it is clearly in our self-interest to extend our encouragement and help to the emerging nations. In terms of our national security interests, each one of these struggles for progress is a battle in the campaign for freedom in which we are all engaged. In the words of Secretary of State Rusk:⁴

Whenever an underdeveloped country makes economic, social, and political progress it expands the frontier of freedom. Wherever we cooperate in breaking down the barriers of ignorance, poverty, disease, and despair, we further not only the well-being of mankind but our own security.

Our actions are founded on the belief that the revolution of the emerging nations—the transition to modern social concepts of human freedom and to the technological base which can support the

⁴ *Ibid.*, Oct. 30, 1961, p. 702.

practice of these concepts—must be permitted to unfold. This revolution can only be carried out by the people of these nations themselves. No one else can do it for them. But we do have two major roles to play. The first of these is to assure the freedom of the revolution. We must prevent external interference, subversion, and aggression from stifling the revolutionary process. The second is to give such cooperation and support as we can to the orderly social, economic, and political development of the emerging nations.

Political Support for Termination of Colonialism

The discharge of our first responsibility has been the history of our political and defense efforts in Asia since the closing days of the Second World War. We furnished strong political support for the termination of colonialism in Asia and the establishment of these new countries as independent nations. We are proud of the example we ourselves set in our role in the establishment of the Republic of the Philippines and in sharing with the people of the Philippines our own dedication to democratic ideals. The recent elections in the Philippines furnish renewed evidence of the strength and vitality of the democratic institutions established there. Our occupation of Japan and peace treaty with that country was a notable example of a helping hand proffered to a former enemy. Our participation in the United Nations action to repel Communist aggression in Korea was a signal of our awareness of the threat of communism to the nations of Asia and our determination to assist in meeting this threat. The establishment of the Southeast Asia Treaty Organization and our bilateral defense treaties with Japan, the Republic of Korea, the Republic of China, and the Philippines, and our mutual defense assistance programs with numerous countries in the area are all further landmarks in this continuing effort to join with the emerging nations

in their responsibility for maintaining the integrity of their countries. The most recent chapter in this history is our current heightened concern with assistance to the Republic of Viet-Nam in its struggle for survival against North Viet-Nam's efforts at conquest.

Long-Range Economic and Social Development

The discharge of our second responsibility encompasses almost every phase, aside from the strictly military, of our relationships with the emerging nations. Our objective is purely that of helping to foster the long-range economic and social development of these countries in accordance with their own plans and aspirations.

Our cooperation with the emerging nations ranges from the Fulbright program to Food for Peace, from long-term developmental loans to the Peace Corps, from technical assistance programs to private investment, from outright grant aid to enlightened trade policies which will permit the emerging nations to find a market for the products of their industries and to become a market for our own. I will not seek to catalog the programs on which we are engaged but will only mention some of the chief premises on which these programs are based.

The major premise for these programs is of course to be found in our own dedication to freedom and progress. This dedication is a major component of our national purpose and our national strength. The confidence which others repose in the United States and their willingness to look to the United States for leadership stem directly from our demonstration, at home and abroad, of our support for these ideals.

Secondly, progress can only be assured when a country fulfills its own responsibilities to help itself. We cannot carry out their revolution for others. And we cannot dissipate our resources in seeking to help a nation whose leaders are unwill-

ing to match economic growth with increasing measures of social justice, of education, of improvement in the lot of the people.

An important point which lies at the core of our programs is that we do not seek to have other nations mold their image in that of the United States. Indeed, this would be the antithesis of our purpose. Our purpose is to assist each nation to produce, out of its own culture and heritage, out of its own resources and aspirations, the kind of modern society it wants for itself. We are confident that, if permitted to do so, each nation will fashion in its own way and at its own pace a society where human freedom and the dignity of the individual are valued. In this way our own open society will find an increasingly compatible environment.

Each benchmark of progress that is achieved increases the contribution which the diversity and richness of the Pacific area will make to our world, increases the power and importance of the area. This great potential, and the importance of our own contribution to its realization, are at the base of my conviction that a significant shift in the balance of our interests and of our attention toward the Pacific community of nations is in the making. Indeed, the Pacific community may well be the most significant theater of decision in the revolution I have discussed this evening. I am confident that we on this side of the Pacific shall not be found wanting in extending the friendship, support, and enlightened cooperation which the emerging countries will need in the years ahead. In so doing we shall, as Americans, be accepting the responsibilities inherent in our traditions and beliefs and best contributing to the attainment of our own national ideals.

